

**INFORMATICA REPORTS FOURTH QUARTER REVENUES OF \$50.1 MILLION AND GAAP EARNINGS OF \$0.02 PER SHARE**

REDWOOD CITY, Calif., January 23, 2003 - Informatica Corporation (NASDAQ: INFA), a leading provider of business analytics software, today announced financial results for the fourth quarter ended December 31, 2002.

Revenues for the fourth quarter of 2002 were \$50.1 million, compared to the \$50.3 million recorded in the fourth quarter of 2001. Net income for the fourth quarter, calculated in accordance with U.S. generally accepted accounting principles (GAAP), was \$1.5 million or \$0.02 per share, compared to a net loss of \$8.5 million or \$0.11 per share recorded in the fourth quarter of 2001. Pro forma net income for the quarter was \$1.8 million or \$0.02 per share, compared to a pro forma net loss of \$1.5 million or \$0.02 per share in the fourth quarter of 2001. Pro forma operating results discussed in this press release exclude charges related to the amortization of stock-based compensation, goodwill and other intangible assets, and facilities restructuring charges. All of these expenses are included in Informatica's GAAP results.

For the year ended December 31, 2002, revenues were \$195.4 million, compared to the \$200.1 million recorded in 2001. Net loss in 2002, calculated in accordance with U.S. GAAP, was \$15.6 million or \$0.20 per share, compared to a net loss of \$45.0 million or \$0.58 per share recorded in 2001. Pro forma net income for the year 2002 was \$2.8 million or \$0.03 per share, compared to a pro forma net loss of \$4.5 million or \$0.06 per share in 2001.

"We are very pleased with Informatica's performance this quarter, as we returned to profitability and further strengthened our balance sheet," said Gaurav Dhillon, president and CEO of Informatica. "We demonstrated that our business is firing on all cylinders again, adding new customers, expanding our partner ecosystem, shipping new products, and garnering industry recognition."

Significant milestones achieved in the fourth quarter of 2002 included:

**Signed 72 new customers.** Informatica increased its customer base this quarter to 1,711 companies. New customers included Bankers Life & Casualty, Cardinal Health, Cobalt Group, the Drug Enforcement Agency (DEA), the Environmental Protection Agency (EPA), GTECH Corporation, Harris Bank, Hawaiian Airlines, McGraw-Hill, Network Associates, R.H. Donnelly, Shaw Industries, Texaco Relaystar, University of North Texas and Winn Dixie.

**Signed repeat business with 87 customers.** Customers continue to derive value from their investment in Informatica solutions. Repeat customers included AT&T Broadband, Burger King, DaimlerChrysler, Dreyer's Grand Ice Cream, Group Danone, Hartford Insurance, ING Direct, Internal Revenue Service, Lockheed Martin, Nokia, Robert Half International, United Parcel Service, U.S. Coast Guard, U.S. Customs, U.S. Department of Justice and Volkswagen.

**Introduced industry's first "plug and play" approach to business analytics.** Informatica rolled out a unique modular approach to buying and deploying business analytics centered around three key components: data integration, data warehousing and business intelligence. To complement its market-leading data integration platform (Informatica PowerCenter) and its award-winning family of analytic applications (Informatica Applications), Informatica introduced two new innovations: the Informatica Warehouse and Informatica PowerAnalyzer. These products help companies "mix and match" analytic components to quickly and easily build, expand or enhance their analytics implementations.

**Launched the PowerAnalyzer business intelligence (BI) platform.** Informatica PowerAnalyzer extends Informatica's business analytics software family, and delivers a full suite of BI functionality without the complexity, need for extensive training, or infrastructure burdens that have left many BI tools on the shelf.

**Expanded OEM relationship with i2 Technologies.** i2 is now licensing the Informatica Warehouse for Supply Chain Analytics and Informatica PowerAnalyzer to form core components of i2's platform for supply chain management. Under the existing agreement, i2 is also authorized to resell the entire suite of Informatica Applications and embed Informatica's PowerCenter data integration platform within the i2 architecture.

**Selected by Cap Gemini Ernst & Young to power its new CPO Solution Set.** CGE&Y chose the Informatica Warehouse for Strategic Sourcing Analytics as an integral component of its newly offered Chief Procurement Officer Solution Set. By pairing Informatica's leading analytics software with CGE&Y's business expertise, the CPO Solution Set is designed to help companies lower their procurement costs and increase supplier performance.

**Announced OEM alliance with Aspen Technology.** One of the leading suppliers of integrated solutions to the process industries, AspenTech will embed Informatica's PowerCenter and PowerConnect software into its new Performance Management enterprise solution for manufacturing and supply chain operations.

**Announced reseller alliance with HP.** Informatica PowerCenterRT will be resold as an integral component of the HP Zero Latency Enterprise (ZLE) architectural framework for real-time, zero latency enterprise computing. As a result of the agreement, HP ZLE customers can now deploy PowerCenterRT real-time data integration software to consolidate very large volumes of information in real time to help drive high-value business actions instantaneously across an enterprise and beyond.

**Placed among the top ten vendors in *DM Review* 100.** Moving up steadily from the number 17 spot in 2000 and the number 12 spot in 2001, Informatica this year was ranked number nine out of 100 business intelligence, data warehousing, analytic applications and CRM companies by *DM Review* magazine.

**Received "Reader's Choice Award" from *Intelligent Enterprise* magazine.** For the second consecutive year, subscribers of *Intelligent Enterprise* voted Informatica Applications as best in class within the Packaged Analytic Application Suite category. *Intelligent Enterprise* also named Informatica the "Company to Watch" for integration.

Informatica will be discussing its fourth quarter 2002 results on a conference call today beginning at 2:00 p.m. PST. A live Webcast of the conference call will be available at <http://www.informatica.com/investor>. A replay of the call will also be available by dialing (719) 457-0820, reservation number 297059. Telephone and Webcast replays of the call will be available until 4:00 p.m. EST on January 30, 2003.

## About Informatica

Informatica Corporation (NASDAQ: INFA) is the leading provider of business analytics software that helps Global 2000 companies monitor and manage the performance of key business operations across the enterprise. Informatica business analytics products span the entire "build to buy" spectrum, enabling customers to buy packaged analytics or build their own best-of-breed data warehousing solutions - whichever approach best suits their requirements and resources. More than 1,700 companies worldwide are using Informatica data integration software to build and manage data warehouses. And, leading technology innovators, including Motorola, ConAgra, Brunswick, Brocade, HP and GE, are using Informatica packaged analytic applications to successfully monitor and optimize business performance. For more information, call 1.650.385.5000 (1.800.970.1179 in the U.S.), or visit the Informatica Web site at <http://www.informatica.com/>

Note: Informatica and PowerCenter, PowerCenter RT, PowerConnect, PowerAnalyzer, and Informatica Warehouse are trademarks or registered trademarks of Informatica Corporation in the U.S. and in jurisdictions throughout the world. All other company or product names may be the trademarks or registered trademarks of their respective owners.

INFORMATICA CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(in thousands, except per share data)  
(unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2002	2001	2002	2001
Revenues:				
License	\$24,767	\$29,182	\$99,943	\$119,937
Service	25,356	21,148	95,498	80,208
Total revenues	50,123	50,330	195,441	200,145
Cost of revenues:				
License	1,702	1,864	6,185	4,500
Service	9,884	10,198	39,246	42,539
Total cost of revenues	11,586	12,062	45,431	47,039
Gross profit	38,537	38,268	150,010	153,106

Operating expenses:				
Research and development	10,747	11,172	45,631	46,271
Sales and marketing	21,909	25,087	86,760	99,334
General and administrative	5,191	5,176	20,284	19,629
Total operating expenses	37,847	41,435	152,675	165,234
Operating income (loss) before amortization and restructuring charges				
	690	(3,167)	(2,665)	(12,128)
Amortization of stock-based compensation				
	31	87	221	1,036
Amortization of goodwill and other intangible assets				
	285	6,993	1,140	27,376
Restructuring charges				
	--	--	17,030	12,096
Income (loss) from operations				
	374	(10,247)	(21,056)	(52,636)
Interest income and other, net				
	1,708	1,705	6,363	8,960
Income (loss) before income taxes				
	2,082	(8,542)	(14,693)	(43,676)
Income tax provision				
	596	--	921	1,304
Net income (loss)				
	\$1,486	\$(8,542)	\$(15,614)	\$(44,980)
Net income (loss) per share:				
Basic and diluted	\$0.02	\$(0.11)	\$(0.20)	\$(0.58)
Weighted shares used to compute net income (loss) per share:				
Basic	80,720	78,400	79,753	77,599
Diluted	83,082	78,400	79,753	77,599
Pro forma information, excluding amortization of stock-based compensation and amortization of goodwill and other intangible assets and restructuring charges:				
Net income (loss), GAAP basis				
	\$1,486	\$(8,542)	\$(15,614)	\$(44,980)
Amortization of stock-based compensation				
	31	87	221	1,036
Amortization of goodwill and				

other intangible assets	285	6,993	1,140	27,376
Restructuring charges	--	--	17,030	12,096
Net income (loss), Pro forma basis	\$1,802	\$(1,462)	\$2,777	\$(4,472)
Net income (loss) per share, Pro forma basis:				
Basic and diluted	\$0.02	\$(0.02)	\$0.03	\$(0.06)
Weighted shares used to compute net income (loss) per share, Pro forma basis:				
Basic	80,720	78,400	79,753	77,599
Diluted	83,082	78,400	82,998	77,599

Notes:

(1) Informatica adopted FASB Emerging Issues Task Force No. 01-14, effective January 1, 2002. As a result, out-of-pocket expenses billed to a customer have been recorded as revenue versus a reduction of the related expense. Prior period financial statements have been reclassified to conform to this presentation.

(2) Informatica adopted FAS 141 on Business Combinations and FAS 142 on Goodwill and Other Intangible Assets on January 1, 2002. Under FAS 142, goodwill and other intangible assets with indefinite lives are no longer amortized beginning January 1, 2002.

INFORMATICA CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(in thousands)

	Dec. 31, 2002 (unaudited)	Sept. 30, 2002 (unaudited)	Dec. 31, 2001
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$122,490	\$82,002	\$131,264
Short-term investments	113,385	143,687	77,955
Accounts receivable, net	29,982	30,173	29,131
Prepaid expenses and other current assets	8,680	6,342	7,061
Total current assets	274,537	262,204	245,411
Property and equipment, net	47,370	49,036	53,180
Restricted cash	12,166	12,166	12,166
Goodwill and other intangible assets, net	30,791	30,366	31,221
Other assets	330	379	925
Total assets	\$365,194	\$354,151	\$342,903

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:			
Accounts payable and other current liabilities	\$41,383	\$37,437	\$36,609
Deferred revenue	51,702	43,791	36,554
Accrued restructuring charges	4,812	4,980	4,136
Total current liabilities	97,897	86,208	77,299
Accrued restructuring charges, less current portion	14,894	16,104	5,196
Stockholders' equity	252,403	251,839	260,408
Total liabilities and stockholders' equity	\$365,194	\$354,151	\$342,903

INFORMATICA CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2002	2001	2002	2001
	(unaudited)		(unaudited)	
Operating activities				
Net income (loss)	\$1,486	\$(8,542)	\$(15,614)	\$(44,980)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	3,212	2,396	10,477	5,749
Provision for doubtful accounts and other receivable allowances	173	1,421	1,606	1,719
Amortization of stock-based compensation	31	87	221	1,036
Amortization of goodwill and intangible assets	285	6,993	1,140	27,376
Restructuring charges	--	--	1,887	1,497
Gain on the sale of investments	--	--	(154)	--
Loss on disposal of property and equipment	--	1,048	357	1,048
Other	9	--	190	--
Adjustment to acquisition allocation	(710)	--	(710)	--
Changes in operating assets and liabilities:				

Accounts receivable	18	(1,359)	(2,457)	899
Prepaid expenses and other current assets	(2,338)	(1,238)	(1,619)	(3,973)
Other assets	49	579	595	559
Accounts payable and other current liabilities	3,946	2,212	4,774	2,911
Accrued restructuring charges	(1,378)	(1,267)	10,374	9,332
Deferred revenue	7,911	5,213	15,148	12,748
Net cash provided by operating activities	12,694	7,543	26,215	15,921
Investing activities				
Purchases of property and equipment, net	(1,546)	(7,309)	(6,911)	(30,207)
Purchases of investments	(11,734)	(21,952)	(230,084)	(264,337)
Sales and maturities of investments	42,100	20,450	195,113	186,800
Acquisitions, net of cash acquired	--	--	--	(13,737)
Transfer from restricted cash	--	--	--	8,116
Net cash provided (used) by investing activities	28,820	(8,811)	(41,882)	(113,365)
Financing activities				
Proceeds from issuance of common stock, net of payments for repurchases	329	502	7,860	11,046
Treasury stock purchases	(1,750)	--	(1,750)	(83)
Net cash provided (used) by financing activities	(1,421)	502	6,110	10,963
Effect of foreign currency translation	395	(128)	783	32
Increase (decrease) in cash and cash equivalents	40,488	(894)	(8,774)	(86,449)
Cash and cash equivalents at beginning of period	82,002	132,158	131,264	217,713
Cash and cash equivalents at end of period	\$122,490	\$131,264	\$122,490	\$131,264